

CALIFORNIA MEDICAL ASSISTANCE COMMISSION

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**CALIFORNIA MEDICAL ASSISTANCE COMMISSION**

**770 L Street, Suite 1160
Sacramento, CA**

**Minutes of Meeting
November 16, 2006**

COMMISSIONERS PRESENT

Cathie Bennett Warner, Chair
Michele Burton, M.P.H.
Diane Griffiths
Teresa P. Hughes
Nancy McFadden

COMMISSIONERS ABSENT

Vicki Marti

CMAC STAFF PRESENT

Keith Berger, Executive Director
Enid Barnes
Tacia Carroll
Paul Cerles
Denise DeTrano
Holland Golec
Katie Knudson
Michael Tagupa
Mervin Tamai
Karen Thalhammer
Steve Soto
Becky Swol

EX-OFFICIO MEMBERS PRESENT

Toby Douglas, Department of Health Services
Thomas Williams, Department of Finance

I. Call to Order

The November 16, 2006 open session meeting of the California Medical Assistance Commission (CMAC) was called to order by Chair Cathie Bennett Warner. A quorum was present.

II. Approval of Minutes

The November 2, 2006 meeting minutes were approved as prepared by CMAC staff.

III. Executive Director's Report

Keith Berger, Executive Director, began his report by welcoming back CMAC's regular ex-officio representative from the California Department of Health Services (CDHS), Assistant Deputy Director Toby Douglas.

Mr. Berger also expressed his appreciation to the California Postsecondary Education Commission for making their hearing room available to CMAC for today's meeting while the Capitol hearing rooms were being renovated.

Regarding the Private Hospital Supplemental Fund, Mr. Berger explained that CMAC staff is planning to move forward with the initiation of Round 2B over the next couple of weeks. He said that staff would be unable to present any amendments to the Commissioners for review and action until after the FY2006-07 Final DSH List is issued by CDHS, but by starting the process now, will be able to act on a more timely basis once the Final DSH List is available.

CMAC will be initiating Round 2B negotiations with the hospitals that appear to be eligible for this fiscal year's private hospital supplemental payments based on the Tentative DSH List issued by CDHS. Only amendments for those hospitals that appear on the Final DSH List will be presented to the CMAC for approval. He noted that any eligible hospitals that appear on the Final DSH List that were not on the Tentative DSH List will be added to the Round 2B process.

Mr. Berger reported that there are a small number of hospitals that were not eligible for supplemental payments in the base year of FY2002-03, but were on the Tentative DSH List for the current year. By statute, he said, they were not eligible to participate in Round 2A. However, since Round 2B amendments will not be acted on until after this year's Final DSH List is issued, they are eligible for preliminary negotiations for Round 2B, and will have their negotiated amendments acted on by CMAC, if they appear on the Final DSH List.

Mr. Berger continued his report and informed the Commissioners that staff will also be initiating on a concurrent basis, the process for Round 2 of the Nondesignated Public Hospital Supplemental Fund. He said that since none of the hospitals that are potentially eligible for supplemental payments from this separate fund were eligible for supplemental payments in the base year of FY2002-03, CMAC also may not act on their amendments until after FY2006-07 Final DSH List is issued.

Mr. Berger concluded his report by noting that there were six new amendments and contracts before the Commissioners for review and action in today's closed session, as well as several key negotiation updates.

IV. Department of Health Services (CDHS) Report

Toby Douglas, Assistant Deputy Director, Medical Care Services, CDHS, updated CMAC that on November 1, 2006, CDHS released the final Request for Application (RFA) for the Health Care Coverage Initiative as part of the hospital financing waiver. He said CDHS held a pre-application conference, which over 90 stakeholders attended. Mr. Douglas said that there were a few questions about the application time line. However, most stakeholders were supportive of the application process. CDHS hopes to have applications from the Counties, or Consortium of Counties, submitted by December 13, and to make final awards to successful applicants in late January or early February.

Regarding the third component of the State Plan Amendments (SPA) relating to the hospital financing waiver, Mr. Douglas reported that CDHS continues to work with public hospitals, the University of California system, and Los Angeles County, to submit outstanding information to the Centers for Medicare and Medicaid Services (CMS). He said, without this absent data, the SPA will not be approved, and the allocation of funds to public hospitals cannot be determined.

V. New Business/Public Comments/Adjournment

There being no further new business and no comments from the public, Chair Cathie Bennett Warner recessed the open session. Chair Bennett Warner opened the closed session, and after closed session items were addressed, adjourned the closed session, at which time the Commission reconvened in open session. Chair Bennett Warner announced that the Commission had taken action on hospital and managed care contracts and amendments in closed session. The open session was then adjourned.